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## Office of The Attorney General State of Connecticut

## TESTIMONY OF ATTORNEY GENERAL GEORGE JEPSEN BEFORE THE JUDICIARY COMMITTEE MARCH 29, 2012

I appreciate the opportunity to support House Bill 5536, An Act Concerning Requirements for Certification as a Community Association Manager, Licensure as a Real Estate Broker or Salesperson and Organization of a Unit Owners' Association. This proposal would require community association managers to complete certain educational requirements and pass an examination in order to receive, maintain or renew a certification as an association manager. It also would require real estate brokers and salespersons to complete coursework in the practices and laws concerning common interest communities. Finally, it would require newly created unit owners' associations to organize as a business or nonstock corporation.

My office has received hundreds of complaints from condominium unit owners regarding poor property conditions and violations of state condominium laws or condominium bylaws. Many of the complaints we receive concern failures to follow basic governance principles, such as adopting an annual budget with notice to the unit owners, holding fair elections for the board of directors, providing key financial information about the association, and fairly imposing association fines.

Association managers are responsible for the maintenance and upkeep of the common areas of community associations. They also oftentimes run community association elections and meetings and advise community associations about how to comply with state law and condominium bylaws. These community associations, which are comprised of unit owners who frequently have little or no experience or familiarity with condominium laws or managing properties, understandably rely heavily on the advice and assistance they receive from association managers. As a result, it is imperative that association managers be qualified, responsible and informed.

Many of the complaints my office receives also suggest that unit owners, themselves, are not fully educated and informed about their rights and responsibilities. Unit owners frequently do not understand the nature of their ownership interests and the types of restrictions that may apply to the use and enjoyment of their units and common areas. Requiring real estate brokers and salespersons to be educated in this area will help ensure that buyers are fully aware of their rights as unit owners. This, in turn, will help prevent situations in which buyers purchase condominiums and learn later that the decision did not match their financial expectations or lifestyles.

I urge the committee to report favorably upon these provisions of House Bill 5536.